

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: CLARK ET AL. Examiner: J. CHENG
Serial No.: 10/690,488 Group Art Unit: 3713
Filed: OCTOBER 20, 2003 Docket: 1165.54USC6
Confirmation No.: 6517
Title: SYSTEM FOR PROVIDING FEEDBACK TO RESOLVERS

CERTIFICATE UNDER 37 CFR 1.8:

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail, with sufficient postage, in an envelope addressed to: Mail Stop Amendment, Commissioner for Patents P.O. Box 1450 Alexandria, Virginia 22313-1450 February 22, 2005.

By: Katherine M. DeVries Smith

Name: Katherine M. DeVries Smith

Mail Stop Amendment
Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

23552

PATENT TRADEMARK OFFICE

Sir:

We are transmitting herewith the attached:

- ☒ Transmittal Sheet in duplicate containing Certificate of Mailing
- ☒ Supplemental Information Disclosure Statement, Form 1449, 2 Reference(s)
- ☒ Notification of Litigation and Attachments A-D
- ☒ Return postcard

Please consider this a PETITION FOR EXTENSION OF TIME for a sufficient number of months to enter these papers or any future reply, if appropriate. Please charge any additional fees or credit overpayment to Deposit Account No. 13-2725. A duplicate of this sheet is enclosed.

Merchant & Gould P.C.
P.O. Box 2903
Minneapolis, MN 55402-0903
612.332.5300

By: Katherine M. DeVries Smith

Name: Katherine M. DeVries Smith

Reg. No.: 42,157

KDeVriesSmith:PLSkaw

BEST AVAILABLE COPY

S/N 10/690,488

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: CLARK ET AL.

Examiner: J. CHENG

Serial No.: 10/690,488

Group Art Unit: 3713

Filed: OCTOBER 20, 2003

Docket No.: 1165.54USC6

Title: SYSTEM FOR PROVIDING FEEDBACK TO RESOLVERS

CERTIFICATE UNDER 37 CFR 1.8:

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail, with sufficient postage, in an envelope addressed to: Mail Stop Amendment, Commissioner for Patents P.O. Box 1450 Alexandria, Virginia 22313-1450 February 22, 2005.

By:

Name:

Kristine A. Wincek
Kristine A. Wincek

NOTIFICATION OF LITIGATION

Mail Stop Amendment
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

23552

PATENT TRADEMARK OFFICE

Dear Sir:

Applicants hereby inform the US Patent & Trademark Office of prior litigation proceedings and current litigation proceedings involving patents that are related to the pending application captioned above. The present application ("the present application") is owned by NCS Pearson (formerly National Computer Systems or NCS).

Prior Meadowbrook Litigation

On July 10, 1998, Meadowbrook Industries, Ltd. sued National Computer Systems, Inc. (NCS) for patent infringement of 5,672,060 in the District Court in the District of Pennsylvania. NCS filed claims against Meadowbrook in United States District Court for the District of New Jersey alleging that Meadowbrook infringed claims of the four NCS owned patents. The New Jersey action was Civil Action No. 98-CV-5913.

The four NCS-owned patents were related to the present application serial no. 10/690.488 as follows:

5,437,554 (the '554 patent): The present application is related to the '554 patent because the present application is a continuation of application of Serial No. 10/425,775, filed on April 29, 2003, which is a continuation of application Serial No. 09/660,204, filed September 12, 2000, now U.S. Patent No. 6,558,166 B1, which is a continuation of application Serial No. 09/141,804, filed on August 28, 1998, now U.S. Patent No. 6,168,440 B1, which is a continuation of application Serial No. 09/003,979, filed on January 7, 1998, now abandoned, which is a continuation of application Serial No. 08/561,081, filed November 20, 1995, now U.S. Patent No. 5,735,694, which is a continuation of application Serial No. 08/290,014, filed August 12, 1994, now U.S. Patent No. 5,558,521, which is a division of application Serial No., 08/014,176, filed February 5, 1993, now the '554 patent.

5,466,159: This patent is related to the present application because it also claims priority to the '554 patent as a division of application Ser. No. 08/014,176, filed Feb. 5, 1993, now 5,437,554.

5,718,591: This patent is related to the present application because it also claims priority to the '554 patent because it is a continuation of application Ser. No. 08/290,014, now U.S. Pat. No. 5,558,521, filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

5,735,694 (the '694 patent): The present application is related to the '694 patent because the present application is a continuation of application of Serial No. 10/425,775, filed on April 29, 2003, which is a continuation of application Serial No. 09/660,204, filed September 12, 2000, now U.S. Patent No. 6,558,166 B1, which is a continuation of application Serial No. 09/141,804, filed on August 28, 1998, now U.S. Patent No. 6,168,440 B1, which is a continuation of application Serial No. 09/003,979, filed on January 7, 1998, now abandoned, which is a continuation of application Serial No. 08/561,081, filed November 20, 1995, now U.S. Patent No. 5,735,694.

In response, Meadowbrook filed an Answer and Counterclaim alleging that the above-listed NCS patents were invalid because Dr. Poor had invented the claimed inventions before the invention by the NCS inventors. The New Jersey action was then transferred to, and consolidated with, the Pennsylvania action. (See Attachment A, "Order Granting Motion To Transfer To Eastern District of Pennsylvania", Feb 22, 1999, Civil Action No. 98-CV-3568, District of Pennsylvania, Meadowbrook Industries, Ltd. vs. National Computer Systems, Inc.)

The Meadowbrook litigation was resolved with a confidential settlement agreement in December of 1999. (See Attachment B, Order dismissing complaint with prejudice, Dec 7, 1999, Civil Action No. 98-CV-3568). The following documents related to the Meadowbrook litigation were cited in the Information Disclosure Statement filed January 12, 2005. ("the January IDS"):

- Complaint - Patent Infringement and Willful Patent Infringement, July 10, 1998, Pages 1-29, Civil Action No. 98-CV-3568, District of Pennsylvania, Meadowbrook Industries, Ltd. vs. National Computer Systems, Inc., Answer and Counterclaim, August 14, 1998, Pages 1-9, Civil Action No. 98-CV-3568, District of Pennsylvania, Meadowbrook Industries, Ltd. vs. National Computer Systems, Inc.
- Plaintiff's Answer to Defendant National Computer Systems, Inc. Counterclaim, September 14, 1998, Pages 1-2, Civil Action No. 98-CV-3568, District of Pennsylvania, Meadowbrook Industries, Inc. vs. National Computer Systems, Inc.; and
- Defendants' Answer, Affirmative Defenses and Counterclaims, February 1, 1999, Pages 1-8, Civil Action No. 98-CV-5913(JBS), District of New Jersey, NATIONAL COMPUTER SYSTEMS, INC. vs. MEADOWBROOK INDUSTRIES, LTD. and UNISCORE INCORPORATED

Prior Measured Progress Litigation

In March of 2001, NCS Pearson, Inc. sued Measured Progress, Inc. for patent infringement in United States District Court, District of Minnesota. (See Complaint, March 1, 2001, Pages 1-5 Civil Action No. 01-CV-386 JMR/SPN, District of Minnesota, NCS Pearson v. Measured Progress cited in January IDS.) NCS Pearson claimed that Measured Progress

infringed four NCS Pearson-owned patents. These four patents were related to the present application serial no. 10/690,488 as follows:

5,672,060: This patent was previously assigned to Meadowbrook Industries and was assigned to NCS as a part of the settlement of the Meadowbrook litigation. This patent does not have any relationship by claim of priority to the present application.

5,709,551: This patent is related to the present application because it also claims priority to the '554 patent because it is a continuation of application Ser. No. 08/290,014, now U.S. Pat. No. 5,558,521, filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

5,321,611: This patent is based on a patent application that was filed on the same day as the patent application that resulted in U.S. Patent No. 5,437,554, to which the present application claims priority as described in the Meadowbrook Litigation section. This patent and the '554 patent have large portions of their specification in common.

5,735,694: See description from Meadowbrook Litigation section.

In response, Measured Progress filed an Answer and Counterclaim alleging that the above-listed NCS Pearson patents were invalid by 35 U.S.C. 102, 103, and 112. (See "Defendant Measured Progress' Answer to Complaint", April 23, 2001, Civil Action No. 01-CV-386, District of Minnesota, NCS Pearson, Inc. v. Measured Progress, Inc., filed in an IDS herewith ("the Current IDS").) This litigation was resolved when the parties entered into a settlement agreement and the litigation was dismissed. (See Attachment C, "Stipulation of Dismissal with Prejudice", July 9, 1999, Civil Action No. 01-CV-386, District of Minnesota, NCS Pearson, Inc. v. Measured Progress, Inc.)

Prior Measurement Incorporated Litigation

On February 14th, 2002, NCS Pearson filed a Complaint against Measurement Incorporated in United States District Court, District of Minnesota. (See Complaint filed February 14th, 2002, Civil Action No. 02-382 ADM/ATB, District of Minnesota, NCS Pearson, Inc. v. Measurement Incorporated, filed in the Current IDS.) NCS Pearson claimed that

Measurement Incorporated infringed eight NCS Pearson-owned patents. These eight patents are related to the present application serial no. 10/690,488 as follows:

5,672,060: See description in Prior Measured Progress Litigation section.

5,987,149: This patent was previously assigned to Uniscore Incorporated and was assigned to NCS as a part of the settlement of the Meadowbrook litigation. This patent does not have any relationship by claim of priority to the present application.

5,437,554: See description in Meadowbrook Litigation section.

5,466,159: See description in Meadowbrook Litigation section.

5,718,591: See description in Meadowbrook Litigation section.

5,709,551: See description in Prior Measured Progress Litigation section.

5,321,611: See description in Prior Measured Progress Litigation section.

5,735,694: See description from Meadowbrook Litigation section.

The Complaint in this case was filed but was never served. When the time for service expired, Measurement Incorporated moved for dismissal. The court granted the motion for dismissal. (See Attachment D, Order, May 2, 2003, Civil Action No. 02-382 ADM/AJB, District of Minnesota, NCS Pearson, Inc. v. Measurement Incorporated.)

Current Measurement Incorporated Litigation

On October 23rd 2002 Measurement Incorporated, TMS, Inc., and VSC Technologies, LLC, filed a complaint against NCS Pearson in United States District Court, for the Eastern District of North Carolina, Western Division. (See Complaint for Declaratory Judgment and for Injunction, October 23, 2002, Pages 1-6, Civil Action No. 5:02-w-778-H(3), District of North Carolina Western Division, Measurement Incorporated et al. vs NCS Pearson, Inc., cited in January IDS.)

VSC Technologies is a joint venture entered into by Measurement Incorporated and TMS, Inc. VSC filed the Complaint seeking a declaratory judgment that it did not infringe

twenty NCS Pearson-owned patents. These twenty patents were related to the present application serial no. 10/690,488 as follows:

5,321,611: See description in Prior Measured Progress Litigation section.

5,433,615: This patent is based on a patent application that was filed on the same day as the patent application that resulted in U.S. Patent No. 5,437,554, to which the present application claims priority as described in the Meadowbrook Litigation section. This patent and the '554 patent share large portions of their specification in common.

5,437,554: See description in Meadowbrook Litigation section.

5,458,493: This patent is related to the present application because it also claims priority as a division to the '554 patent.

5,466,159: See description in Meadowbrook Litigation section.

5,558,521: This patent is related to the present application because it also claims priority as a division to U.S. Pat. No. 5,437,554.

5,672,060: See description in Prior Measured Progress Litigation section.

5,690,497: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 08/290,014, filed Aug. 12, 1994, now U.S. Pat. No. 5,558,521, which is a division of application Ser. No. 08/014,176, filed Feb. 5, 1993, now U.S. Pat. No. 5,437,554.

5,709,551: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 08/290,014, now U.S. Pat. No. 5,558,521, filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

5,716,213: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 08/290,014, now U.S. Pat. No. 5,558,521, filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

5,718,591: See description in Meadowbrook Litigation section.

5,735,694: See description in Meadowbrook Litigation section.

5,752,836: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 08/290,014, now U.S. Pat. No. 5,558,521, filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993

5,987,149: See description in Prior Measurement Incorporated Litigation section.

6,159,018 This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 09/003,979, filed on Jan. 7, 1998, which is a continuation of application Ser. No. 08/561,081, filed Nov. 20, 1995, which is now U.S. Pat. No. 5,735,694, which is a continuation of application Ser. No. 08/290,014, which is now U.S. Pat. No. 5,558,521 filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

6,193,521: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 09/003,979, filed on Jan. 7, 1998, which is a continuation of application Ser. No. 08/561,081, filed Nov. 20, 1995, which is now U.S. Pat. No. 5,735,694, which is a continuation of application Ser. No. 08/290,014, which is now U.S. Pat. No. 5,558,521 filed Aug. 12,

1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

6,155,839: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 09/003,979, filed on Jan. 7, 1998, which is a continuation of application Ser. No. 08/561,081, filed Nov. 20, 1995, which is now U.S. Pat. No. 5,735,694, which is a continuation of application Ser. No. 08/290,014, which is now U.S. Pat. No. 5,558,521 filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

6,183,261: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No., 09/003,979, filed on Jan. 7, 1998, which is a continuation of application Ser. No. 08/561,081, filed Nov. 20, 1995, which is now U.S. Pat. No. 5,735,694, which is a continuation of application Ser. No., 08/290,014, which is now U.S. Pat. No. 5,558,521 filed Aug. 12, 1994, which is a division of application Ser. No., 08/014,176, now U.S. Pat. 5,437,554, filed Feb. 5, 1993.

6,168,440: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No., 09/003,979, filed on Jan. 7, 1998, which is a continuation of application Ser. No. 08/561,081, filed Nov. 20, 1995, which is now U.S. Pat. No. 5,735,694, which is a continuation of application Ser. No., 08/290,014, which is now U.S. Pat. No. 5,558,521 filed Aug. 12, 1994, which is a division of application Ser. No., 08/014,176, now U.S. Pat. 5,437,554, filed Feb. 5, 1993.

6,183,260: This patent is related to the present application because it also claims priority to U.S. Pat. No. 5,437,554 because it is a continuation of application Ser. No. 09/003,979, filed on Jan. 7, 1998, which is a continuation of application Ser. No. 08/561,081, filed Nov. 20, 1995, which is now U.S. Pat. No. 5,735,694, which is a continuation of

application Ser. No. 08/290,014, which is now U.S. Pat. No. 5,558,521 filed Aug. 12, 1994, which is a division of application Ser. No. 08/014,176, now U.S. Pat. No. 5,437,554, filed Feb. 5, 1993.

This litigation has not yet been concluded.

Conclusion

The Examiner is invited to contact Kate DeVries Smith at the number listed below with any questions about these litigation matters.

Respectfully submitted,

MERCHANT & GOULD P.C.
P.O. Box 2903
Minneapolis, Minnesota 55402-0903
(612) 332-5300

Date: Feb. 22, 2005

Kate DeVries Smith
Katherine M. DeVries Smith
Reg. No. 42,157
KDS:cjm

FEB-26-1999 10:32

REGAN LEWIS PHILA. 21ST

12159635299 P.03/03

FEB 22 1999

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

WILLIAM T. WALSH, CLERK

NATIONAL COMPUTER SYSTEMS, INC.,

Plaintiff,

v.

MEADOWBROOK INDUSTRIES, LTD. and
UNISCORE, INC.,

Defendants.

HONORABLE JEROME B. SIMANDLE

CIVIL NO. 98-5913 (JBS)

ORDER GRANTING MOTION TO
TRANSFER TO THE EASTERN
DISTRICT OF PENNSYLVANIA

This matter comes before the Court upon the motion of defendants, Meadowbrook Industries, Ltd. and Uniscore, Inc., for transfer of venue to the Eastern District of Pennsylvania pursuant to 28 U.S.C. § 1404(a); and the Court having considered the written submissions of the parties as well as oral arguments heard before this Court on February 19, 1999; and for the reasons expressed in the Oral Opinion of February 19, 1999;

The Court finding that this case is closely related to Meadowbrook Industries, Ltd. v. National Computer Systems, Inc., Civil Action No. 98-3568, presently before the Honorable Clarence C. Newcomer in the United States District Court for the Eastern District of Pennsylvania;

IT IS this 22nd day of February, 1999, hereby ORDERED that defendants' motion for transfer of venue to the United States District Court for the Eastern District of Pennsylvania pursuant to 28 U.S.C. § 1404(a) be, and hereby is, GRANTED.

Jerome B. Simandle
JEROME B. SIMANDLE
U.S. District Judge

1701 Market Street
Philadelphia, PA 19103-2921
215-963-5000
Fax: 215-963-5299

**Morgan, Lewis
& Bockius LLP**
COUNSELORS AT LAW

Tracy Zurzolo Frisch
215-963-4877

February 24, 1999

VIA HAND DELIVERY

Leon W. Silverman, Esquire
Stein & Silverman, P.C.
230 South Broad Street, 18th Floor
Philadelphia, PA 19102

Arthur H. Seidel, Esquire
Seidel, Gonda, Lavorgna & Monaco, P.C.
Two Penn Center Plaza, Suite 1800
Philadelphia, PA 19102

Re: National Computer Systems, Inc. v. Meadowbrook Industries, Ltd.

Gentlemen:

Enclosed please find a copy of Plaintiff's Reply to Defendants' Answer, Affirmative Defenses and Counterclaims, the original of which was filed today.

Sincerely yours,



Tracy Zurzolo Frisch

TZF/mr

Enclosure

RECEIVED
MAR 01 1999
MERCHANT & GOULD

**Morgan, Lewis
& Bockius LLP**

February 24, 1999
Page 2

bcc: Albert L. Underhill, Esquire (w/enc.)

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FILED

MEADOWBROOK

DEC - 7 1999

MICHAEL E. KUNZ, Clerk

vs.

By

Dep. Clerk

NCS

CIVIL ACTION

NO. 98-CV-5368

99-CV-1013

ORDER

AND NOW, TO WIT: This 6th day of December, 1999,
it having been reported that the issues between the parties in
the above action has been settled and upon Order of the Court
pursuant to the provisions of Rule 41.1(b) of the Local Rules of
Civil Procedure of this Court (effective January 1, 1970), it is

ORDERED that the above action is **DISMISSED** with
prejudice, pursuant to agreement of counsel without costs.

MICHAEL E. KUNZ, Clerk of Court

BY:

Michael Finney
Deputy Clerk

Copies by FAX on _____ to: Copies by MAIL on _____ to:

Civ 2 rev. (11/99)
41.1(b)

Copies to Counsel during trial

Silverman

Marshall

LAPAT

Eddle

Underhill

GLANCE 12-6-99

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA


| | | |
|--------------------------|---|-------------------|
| NCS Pearson, Inc. |) | Civil Action No. |
| |) | 01-CV-386 JMR/SRN |
| Plaintiff, |) | |
| |) | |
| vs. |) | |
| |) | |
| Measured Progress, Inc., |) | |
| |) | |
| Defendant. |) | |

STIPULATION OF DISMISSAL WITH PREJUDICE

Having settled their disputes as to all issues in the above-captioned action, the parties, NCS Pearson, Inc. and Measured Progress, Inc., by their counsel hereby stipulate to the dismissal of this action with prejudice pursuant to Fed. R. Civ. P. 41(a)(1), thereby dismissing this action in its entirety.

Each party is to bear its own costs and attorneys' fees.

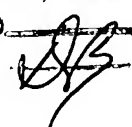
Dated: July 9, 2002



Albert L. Underhill (111740)
Robert J. Glance (0258027)
Merchant & Gould
3200 IDS Center
80 South Eighth Street
Minneapolis, Minnesota 55402
Telephone: (612) 332-5300

Attorneys for NCS Pearson, Inc.

13

JUL 10 2002
FILED
RICHARD D. BLETEN, CLERK
JUDGMENT ENTERED
TESTED BY CLERK 

Dated: 7/8/02

MJ/Ka
Michael J. Kane (24625)
Greg McAllister (295759)
Fish & Richardson P.C., P.A.
3300 Dain Rauscher Plaza
60 South Sixth Street
Minneapolis, MN 55402
(612) 335-5070 Telephone
(612) 288-9696 Facsimile

Robert E. Hillman
Michael E. Zelinger
Fish & Richardson P.C.
225 Franklin Street
Boston, MA 02110-2804
(617) 542-5070 Telephone
(617) 542-8095 Facsimile

Attorneys for Measured Progress, Inc.

60093431.doc

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

NCS Pearson, Inc.,

Plaintiff,

v.

Measurement Inc.,

Defendant.

**MEMORANDUM OPINION
AND ORDER
Civil No. 02-382 ADM/AJB**

Albert L. Underhill, Esq., and Jeffrey P. Cook, Esq., Merchant & Gould, P.C., Minneapolis, MN, appeared for Plaintiff.

Rebecca Egge Moos, Esq., Bassford, Lockhart, Truesdell & Briggs, P.A., Minneapolis, MN, and Susan Freya Olive, Esq., Olive & Olive, P.A., Durham, NC, appeared for and on behalf of Defendant.

I. INTRODUCTION

On February 6, 2003, the Motion to Dismiss [Docket No. 5] of Defendant Measurement Inc. ("Defendant") was argued before the undersigned United States District Judge. Defendant seeks dismissal for insufficiency of service of process and for lack of personal jurisdiction and improper venue, or, in the alternative, to transfer or stay. For the reasons set forth below, the Motion to Dismiss is granted.

II. BACKGROUND

Defendant's business is the field of test scoring, frequently scoring tests for State Departments of Education and other testing authorities throughout the United States. Scherich Decl. ¶¶ 2, 4. Plaintiff NCS Pearson, Inc. ("Plaintiff"), also scores tests, and sells scanners used in the scoring process. Plaintiff is a Minnesota corporation with its testing division headquarters

FILED
JUL 1 2003
RICHARD D. SLETEN, CLERK
JUDGMENT ENTERED
DEPUTY CLERK

in Iowa City, Iowa. Id. ¶ 13, Ex. 2. Plaintiff and Defendant participated in bids together and split up work and, on occasion, Defendant has purchased supplies and maintenance services from Plaintiff. All services by Defendant were provided outside Minnesota, and all supplies were ordered through Plaintiff's offices outside Minnesota and were sent to Defendant's offices outside Minnesota.

Defendant is a North Carolina corporation that maintains its principal place of business in North Carolina. While Defendant has business locations outside North Carolina, it maintains no offices in Minnesota, nor does it have any employees or agents in Minnesota. Defendant owns no property in Minnesota, maintains no books, records, documents or other materials in Minnesota, and is not authorized to do business in Minnesota. Further, Defendant has not conducted advertising or other promotional activities directed towards Minnesota residents. Scherich Decl. ¶¶ 6-8. Defendant's website is hosted by Defendant in North Carolina, but no services are provided from the website. Defendant has not targeted any advertising via the Internet to Minnesota. Scherich Decl. ¶ 8. In relation to the test scoring devices that are the subject of Plaintiff's patent infringement claims,¹ Defendant has not conducted any scoring activities for testing authorities located in Minnesota. Id. ¶ 10.

Plaintiff filed this suit on February 14, 2002 [Docket No. 1], asserting that Defendant's test scoring activities infringe the patents in suit. Defendant was not served with process within the 120-day period prescribed by Federal Rule of Civil Procedure 4(m). Approximately nine months later, Plaintiff sent an *ex parte* "[Proposed] Order Granting Extension of Time to Serve

¹ The patents in suit generally deal with methods and systems for image-based electronic scoring of non-objective test materials, such as essay tests.

Summons and Complaint" [Docket No. 2] to Magistrate Judge Arthur J. Boylan. The Proposed Order states that NCS "did not serve the Complaint" on Defendant "because of pending settlement discussions," but "must now proceed to prosecute," implying settlement discussions had continued throughout the time between February and November. Docket No. 2; Coffey Decl. Ex. 3. A letter of November 4, 2002, from Plaintiff's counsel to Judge Boylan, states:

[Plaintiff] filed its Complaint in February of 2002 . . . but did not formally serve the Complaint in view of settlement discussions. No settlement was reached and a dispute still exists . . . [Plaintiff] finds that it must proceed with the prosecution of its cause of action.

Cook Decl. Ex. 19. The Proposed Order was signed by Judge Boylan and filed on November 5, 2002 [Docket No. 2]. Service was made on Defendant on November 8, 2002 [Docket No. 3]. It is undisputed that the last settlement communications between Plaintiff and Defendant occurred in late March and early April, 2002, and there were no settlement discussions subsequently.

After the long shelf-life of the February Minnesota filing, Defendant filed a suit inclusive of more patents in North Carolina on October 23, 2002, which was served on October 25, 2002. Plaintiffs admit that this filing was a "wake-up call," prompting them to pursue the dormant Minnesota claim.

III. DISCUSSION

Rule 12 of the Federal Rules of Civil Procedure provides that a party may move to dismiss claims for insufficiency of process or of service of process. Fed. R. Civ. P. 12(b)(4), (5). Rule 12 also allows dismissal for lack of personal jurisdiction or improper venue. Fed. R. Civ. P. 12(b)(2), (3). In considering a motion to dismiss, the pleadings are construed in the light most favorable to the non-moving party, and the facts alleged in the complaint must be taken as true.

Hamm v. Goose, 15 F.3d 110, 112 (8th Cir. 1994); Ossman v. Diana Corp., 825 F. Supp. 870, 879-80 (D. Minn. 1993). Any ambiguities concerning the sufficiency of the claims must be resolved in favor of the non-moving party. Ossman, 825 F. Supp. at 880.

A complaint should be dismissed "only if it is clear that no relief can be granted under any set of facts that could be proved consistent with the allegations." Frey v. City of Herculaneum, 44 F.3d 667, 671 (8th Cir. 1995) (citations omitted); Hafley v. Lohman, 90 F.3d 264, 266 (8th Cir. 1996). "A motion to dismiss should be granted as a practical matter . . . only in the unusual case in which the plaintiff includes allegations that show on the face of the complaint that there is some insuperable bar to relief." Frey, 44 F.3d at 671.

A. Insufficiency of Service of Process

Properly effected service of process is a fundamental element to any lawsuit. Murphy Bros., Inc. v. Michetti Pipe Stringing, Inc., 526 U.S. 344, 350 (1999). Service of process must be completed within 120 days from the date when a complaint is filed, unless such deadline is extended by the court. Fed. R. Civ. P. 4(m). Here, no motion for extension was filed by Plaintiff within the 120-day period. Instead, months after the service period expired, Plaintiff submitted a misleading letter concerning whether or not an extension was warranted. Good cause has not been shown as to the reason for the lengthy time gap. A showing of good cause requires at least "excusable neglect," or "good faith on the part of the party seeking an enlargement [of time] and some reasonable basis for noncompliance within the time specified in the rules." Lujano v. Omaha Pub. Power Dist., 30 F.3d 1032, 1035 (8th Cir. 1994) (internal citation omitted). It is undisputed no settlement negotiations were occurring after April 4, 2002. Plaintiff has identified no sufficient good faith basis for failing to file within 120 days. Judge Boylan was not fully

informed by Plaintiffs as to the status of the case when presented the Proposed Order on November 5, 2002, and therefore it is invalid. Additionally, there is no basis on which to grant a discretionary extension now. Discretionary extensions are appropriate in situations where the applicable statute of limitations would bar the refiled action, or the defendant is evading service or conceals a defect in attempted service. Upetrucci v. Bohringer & Ratzinger, 46 F.3d 1298, 1305 (3d Cir. 1995); see also, Advisory Committee Notes (1993) to Fed. R. Civ. P. 4(m). No such circumstances exist here. Accordingly, Plaintiff's service of process on Defendant is insufficient. Dismissal under Rule 12(b)(5) is required.

B. Personal Jurisdiction

1. Standard

To establish personal jurisdiction, the facts presented must satisfy the requirements of the forum state's long-arm statute, and the exercise of personal jurisdiction over the defendant must not violate due process. Digi-Tel Holdings, Inc. v. Proteq Telecommunications (PTE), Ltd., 89 F.3d 519, 522 (8th Cir. 1996). The amenability of a foreign corporation to the jurisdiction of a federal district court is controlled by the law of the state in which the federal court sits. Moran v. Vermeer Mfg. Co., 498 F. Supp. 1274, 1278 (W.D. Mo. 1980) (citing Simpkins v. Council Mfg. Corp., 332 F.2d 733, 736 (8th Cir. 1964)). Because Minnesota's long-arm statute, Minn. Stat. § 543.19 (1988), extends jurisdiction to the maximum limit consistent with due process, this court need only evaluate whether the requirements of due process are satisfied. Wessels, Arnold & Henderson v. National Med. Waste, Inc., 65 F.3d 1427, 1431 (8th Cir. 1995).

Due process mandates that a court exercise personal jurisdiction over a non-resident defendant only when the defendant has "certain minimum contacts" with the state, such that

summoning the defendant to the forum state does not offend "traditional notions of fair play and substantial justice." International Shoe Co. v. Washington, 326 U.S. 310, 316 (1945). Sufficient contacts exist when the defendant's conduct and connection with the forum state are such that the defendant should "reasonably anticipate being haled into court there." World-Wide Volkswagen Corp. v. Woodson, 444 U.S. 286, 297 (1980). The defendant's acts must be substantial enough to give clear notice that it would be subject to suit in the forum state. Id. However, the unilateral activities of one claiming some relationship with the non-resident defendant are not enough to satisfy the minimum contacts requirement. Hanson v. Denckla, 357 U.S. 235, 253 (1958). In every case there must be some act by which a defendant "purposefully avails itself of the privilege of conducting activities within the forum State, thus invoking the benefits and protections of its laws." Id. Jurisdiction is proper where the contacts proximately result from actions by the defendant that create a "substantial connection" with the forum state. Burger King Corp. v. Rudzewicz, 471 U.S. 462, 476 (1985).

General personal jurisdiction exists when a nonresident has such substantial contacts with the forum state that the state may exert jurisdiction over the nonresident "even for causes of action unrelated to defendant's contacts with forum state." Domtar, Inc. v. Niagara Fire Ins. Co., 533 N.W.2d 25, 30 (Minn. 1995). Specific jurisdiction is not alleged in this case.

2. Discussion

Even if service of process had been properly effected, personal jurisdiction in Minnesota is lacking in this case. As outlined above, Defendant has no traditional contacts with Minnesota. Plaintiff argues that Defendant's "ongoing service and maintenance contracts with [Plaintiff] in the state of Minnesota" create general personal jurisdiction over Defendant in Minnesota.

Compl. ¶ 2.

All Defendant's scoring services work in connection with Plaintiff has been performed outside of Minnesota. Defendant's contact with Plaintiff was effected through contacts in Iowa City, Iowa, and checks paying Defendant have come from banks outside Minnesota. Defendant's purchase of scanning machines and paper products from Plaintiff have been coordinated through offices outside Minnesota, and maintenance services have been provided by service personnel in North Carolina. Plaintiff's incorporating in Minnesota does not establish jurisdiction. See Beverly Hills Fan Co. v. Royal Sovereign Corp., 21 F.3d 1558, 1571 (Fed. Cir. 1994) ("[T]he situs of the injury is the location, or locations, at which the infringing activity directly impacts on the interests of the patentee."); McQuay, Inc. v. Samuel Schlosberg, Inc., 321 F. Supp. 902, 907 (D. Minn. 1971). The passive internet website also is not a basis for jurisdiction. Multi-Tech Sys., Inc. v. VocalTec Comms., Inc., 122 F. Supp. 2d 1046, 1050 (D. Minn. 2000) (citing Mink v. AAAA Devel., Inc., 190 F.3d 333, 336 (5th Cir. 1999)). The activities and interaction between Plaintiff and Defendant are not systematic and continuous, and do not create minimum contacts with Minnesota sufficient for general jurisdiction over Defendant. Defendant's Motion to Dismiss is granted.


IV. CONCLUSION

Based on the foregoing, and all the files, records and proceedings herein, **IT IS**
HEREBY ORDERED that Defendant's Motion to Dismiss [Docket No. 5] is **GRANTED**.

LET JUDGMENT BE ENTERED ACCORDINGLY.

BY THE COURT:

Date: *May 2, 2003*


ANN D. MONTGOMERY
UNITED STATES DISTRICT JUDGE

FACSIMILE COVER PAGE

file

Date: 5/2/03
Time: 15:12:48
Pages: 9

To: Albert L Underhill
Company: Merchant & Gould 002cv382
Fax #: 96123329081

From: U S District Court
Company: District of Minnesota
Address: Room 202, 300 S. 4th Street
Minneapolis , MN 55415
USA
Fax #: 612-664-5033

© Copyright Cheyenne Software, Inc. FAXSERVE

**This Page is Inserted by IFW Indexing and Scanning
Operations and is not part of the Official Record**

BEST AVAILABLE IMAGES

Defective images within this document are accurate representations of the original documents submitted by the applicant.

Defects in the images include but are not limited to the items checked:

- ☐ **BLACK BORDERS**
- ☐ **IMAGE CUT OFF AT TOP, BOTTOM OR SIDES**
- ☐ **FADED TEXT OR DRAWING**
- ☐ **BLURRED OR ILLEGIBLE TEXT OR DRAWING**
- ☐ **SKEWED/SLANTED IMAGES**
- ☐ **COLOR OR BLACK AND WHITE PHOTOGRAPHS**
- ☐ **GRAY SCALE DOCUMENTS**
- ☐ **LINES OR MARKS ON ORIGINAL DOCUMENT**
- ☐ **REFERENCE(S) OR EXHIBIT(S) SUBMITTED ARE POOR QUALITY**
- ☐ **OTHER:** _____

IMAGES ARE BEST AVAILABLE COPY.

As rescanning these documents will not correct the image problems checked, please do not report these problems to the IFW Image Problem Mailbox.